



MILLENNIUM CHALLENGE CORPORATION

[MCC FR 22-14]

Notice of Entering into a Compact with the Government of Malawi

AGENCY: Millennium Challenge Corporation.

ACTION: Notice.

SUMMARY: In accordance with the provisions of the Millennium Challenge Act of 2003, as amended, the Millennium Challenge Corporation (MCC) is publishing a summary of the Millennium Challenge Compact (Compact) between the United States of America and the Republic of Malawi. Representatives of MCC and the Government of Malawi executed the Compact on September 28, 2022. The complete text of the Compact has been posted at: <https://assets.mcc.gov/content/uploads/compact-malawi-transport-land.pdf>.

(Authority: 22 U.S.C. 7709 (b)(3))

Dated: October 4, 2022.

Thomas G. Hohenthanner,
Acting VP/General Counsel and Corporate Secretary.

SUMMARY OF MALAWI COMPACT

Overview of MCC Malawi Compact

MCC's five-year, \$350,000,000 Compact with the Republic of Malawi (Government) aims to reduce poverty through economic growth by targeting key binding constraints in the transport and land sectors. The Compact will address these constraints through three projects that seek to achieve this goal by reducing costs of transport in targeted rural areas and improving land services. The Government also will contribute approximately \$26,250,000 to support the Compact program.

Project Summaries

The Compact is comprised of three projects:

- 1. Accelerated Growth Corridors Project:** The objective of the Accelerated Growth Corridors Project is to reduce costs of transport in targeted rural areas. The Project includes two activities:
 - **Road Corridor Improvement Activity:** This activity aims to target investment in physical upgrades and improvements across different classes of roads within four selected corridors to improve rural access by addressing road conditions and reducing transport costs.
 - **Policy and Institutional Reform and Capacity Building Activity:** This activity focuses on assistance to the Government to address policy, legislative, institutional, and funding issues to ensure that road transport in Accelerated Growth Corridors is well-maintained and managed.
- 2. Increased Land Productivity Project:** The objective of the Increased Land Productivity Project is to improve land services. The Project includes two activities:
 - **Land Administration Resourcing and Institutions Activity:** This aims to support analysis, reform, and implementation of reforms to expand national land-

based revenues, address institutional change, and address the land rights records that underpin land institution work.

- **City Council Land-Based Revenue Modernization Activity:** This activity aims to expand coverage and collection of land-based revenues, as well as to increase resources for key services and increase investment in land. MCC Funding shall support a sequence of activities in up to four cities (Lilongwe, Blantyre, Mzuzu, and Zomba).

3. ACFD Project: The compact program also includes allocation for the American Catalyst Facility for Development (ACFD) Project. The purpose of this funding is to facilitate U.S. International Development Finance Corporation (DFC) investments in Malawi. MCC and DFC will discuss specific transactions to be supported by the ACFD Project which shall be agreed to by the Parties in writing after proposals submitted by the DFC have undergone the ACFD screening and approvals process. Transactions supported by the ACFD Project shall be consistent with the missions of both MCC and DFC, as well as all applicable statutory requirements and authorities.

Malawi Compact Budget

The table below presents the Compact budget and sets forth both the MCC funding allocation by Compact components and the Government's expected \$26,250,000 contribution toward the objectives of the Compact.

Malawi Compact Total Budget

Component	MCC Funding
1. Accelerated Growth Corridors Project	\$244,950,000
1.1 Road Corridor Improvement Activity	\$228,998,000
1.2 Policy and Institutional and Capacity Building Reform Activity	\$15,952,000
2. Increased Land Productivity Project	\$44,107,000
2.1 Land Administration Resourcing and Institutions Activity	\$20,034,685
2.2 City Council Land-Based Revenue Modernization Activity	\$24,072,315

3. American Catalyst Facility for Development	\$8,500,000
4. Monitoring and Evaluation	\$3,000,000
5. Program Management and Administration	\$49,443,000
Total MCC Funding	\$350,000,000

Total Compact Funding	Amount
Total MCC Funding	\$350,000,000
Government of Malawi Contribution	\$26,250,000
Total Compact	\$376,250,000

[FR Doc. 2022-21882 Filed: 10/6/2022 8:45 am; Publication Date: 10/7/2022]